



AGENDA

TOWN FINANCE COMMITTEE

Thursday – May 9, 2024

Hybrid

5:00 P.M.

LINK TO PARTICIPATE REMOTELY:

<https://scarboroughmaine.zoom.us/j/85782959889>

TO VIEW MEETING ONLY:

<https://www.youtube.com/channel/UCD5Y8CFy5HpXMftV3xX73aw>

Item 1. Call to Order.

Item 2. Those Present.

Item 3. Approval of Minutes: March 14, 2024, April 18, 2024 & April 24, 2024

Item 4. Discussion on FY2025 Municipal/School Budgets:

a. Review Budget Adjustments as of 05/01/2024

b. Review Adjustments to meet the \$1.2M further reduction
[Work in process]

Item 5. Public Comments.

Item 6. Adjourn.

FY25 Budget
GOAL: Reduce Net Budget by at least \$3,300,000

Adjustments as of 5/9/2024	Expense Increase (Reduction)	Revenue Increase (Reduction)	Net Appropriation Increase (Decrease)
School			
Operating:			
Updated Medical Insurance Premiums	(335,666)		(335,666)
Updated Retirement/Projected Savings	(22,620)		(22,620)
Delta Dental Rates	669		669
Flexible Spending Plan Administrative Fee Increase	1,600		1,600
Workers' Comp adjustment	(43,185)		(43,185)
Adjustment to Paid Family Medical Leave estimate	(164,718)		(164,718)
Add 1.0 Speech Therapist to address emerging K-2 needs	92,000		92,000
Additional reductions impacted by new Anthem rates:			
4.05 new/expanded professional positions	(8,100)		(8,100)
19.4 Ed Tech positions (11.0 new + 8.4 unfilled)	(18,534)		(18,534)
6.0 unfilled bus driver positions	(7,998)		(7,998)
6.0 unfilled custodial positions	(7,998)		(7,998)
Operating Subtotal	(514,550)	-	(514,550)
Adult Education	(229)		(229)
School Nutrition Revenue Reduction		(12,536)	12,536
School Nutrition	(12,536)		(12,536)
Adult Ed & School Nutrition Subtotal	(12,765)	(12,536)	(229)
Capital:			
Remove Portable Announcers' Booth	(30,874)		(30,874)
Remove bonded funds for deferred capital item		(210,874)	210,874
Quentin Drive repairs	(180,000)		(180,000)
School Impact Fees and/or Capital Reserve funds for Long-range Planning items		585,000	(585,000)
Capital Subtotal	(210,874)	374,126	(585,000)
School Total	(738,189)	361,590	(1,099,779)
Town			
Operating:			
Combined Departmental Proportional Cuts	(188,466)		(188,466)
Propane (Fire)	(11,000)		(11,000)
Estimate for increase in Sr. Tax Relief Program	35,000		35,000
Additional Rescue Revenues		100,000	(100,000)
TIF Revenue to Cover Personnel Cost		50,000	(50,000)
Increase in GA State Reimbursement- Revenue		37,500	(37,500)
Investment Income - Revenue		100,000	(100,000)
Excise Tax - Revenue		200,000	(200,000)
Alger Hall Operating Costs	(7,000)		(7,000)
Tri Gen Decommissioned	(30,000)		(30,000)
NEW - Additional Investment Income Due to Federal Reserve inaction		100,000	(100,000)
NEW - Additional Rescue Revenue		100,000	(100,000)
Operating Subtotal	(201,466)	687,500	(888,966)
Capital:			
Sawyer Street- Grant Local Match - TIF		75,000	(75,000)
AED Replacement (Fire) - TIF		65,000	(65,000)
Radio Study (Police) - TIF		50,000	(50,000)
UPS for PSB - TIF		70,000	(70,000)
Pickup Truck (CS) - Beach Reserves		57,000	(57,000)
NEW - Bleacher Replacement (CS) - School Capital Reserve	(24,000)		(24,000)
NEW - Running Hill Road Master Plan - Defer	(100,000)		(100,000)
NEW - Facilities Assessment - Defer	(100,000)		(100,000)
Capital Subtotal	(224,000)	317,000	(541,000)
Town Total	(425,466)	1,004,500	(1,429,966)
Total Adjustments 05-09-2024	(1,163,655)	1,366,090	(2,529,745)

Scarborough Public Schools

FY25 Budget Development Process

Leadership Council's FY25 Budget Proposal	FY24 Approved Budget	FY25 Proposed Budget	\$ Change	% Change
General Fund Operating Budget	62,052,141	66,562,878	4,510,737	7.27%
Adult Education Budget	183,149	214,358	31,209	17.04%
School Nutrition Budget	2,313,735	2,404,192	90,457	3.91%
EDUCATION GROSS BUDGET	64,549,025	69,181,428	4,632,403	7.18%
General Fund Non-Tax Revenues	7,792,838	9,770,696	1,977,858	25.38%
Adult Education Non-Tax Revenues	120,738	140,569	19,831	16.42%
School Nutrition Non-Tax Revenues	2,313,735	2,404,192	90,457	3.91%
EDUCATION NET BUDGET	54,321,714	56,865,971	2,544,257	4.68%
School Capital Budget	140,456,583	6,434,349	(134,022,234)	-95.42%
School Capital Non-Tax Revenues	139,453,483	5,753,349	(133,700,134)	-95.87%
School Capital Net Budget	1,003,100	681,000	(322,100)	-32.11%
Passed at School Board First Reading March 21, 2024				

Budget adjustments for School Board second reading

by SBFC as of 4/25/2024

General Fund Expenditures

Personnel cost projections

Update retirement/turnover savings projections	(22,620)
Anthem rates from +8% estimate to +3.068% actual	(335,666)
Delta rates from +5.3% estimate to +5.6% actual	669
Flex Plan fee increase for July 1 renewal	1,600
Workers' Comp adjustment	(43,185)
Adjustment to Paid Family Medical Leave estimate	(164,718)

New & unfilled positions

Add 1.0 Speech Therapist to address emerging K-2 needs	92,000
Reduce cost estimates per new Anthem rates:	
4.05 new/expanded professional positions	(8,100)
19.4 ed tech positions (11.0 new + 8.4 unfilled)	(18,534)
6.0 unfilled bus driver positions	(7,998)
6.0 unfilled custodian positions	(7,998)

Adult Education & School Nutrition

Adjust expenditures for benefit changes:	
Adult Education	(229)
School Nutrition	(12,536)

Capital Improvement Projects

Remove/defer proposed FY25 items:	
Portable announcers' booth	(30,874)
Quentin Drive repairs	(180,000)

Total expenditure adjustments:

General Fund operating	(514,550)
Adult Education	(229)
School Nutrition	(12,536)
Capital Budget	(210,874)

Revenues

Use School Impact Fees and/or Capital Reserve funds for Long-Range Planning budget items	585,000
Remove bonded funds for deferred Capital items	(210,874)

Total non-tax revenue adjustments:

General Fund operating	0
Adult Education	0
School Nutrition	(12,536)
Capital Budget	374,126

Scarborough Public Schools

FY25 Budget Development Process

Adjusted FY25 Budget Proposal	FY24 Approved Budget	FY25 Proposed Budget	\$ Change	% Change
General Fund Operating Budget	62,052,141	66,048,328	3,996,187	6.44%
Adult Education Budget	183,149	214,129	30,980	16.92%
School Nutrition Budget	2,313,735	2,391,656	77,921	3.37%
EDUCATION GROSS BUDGET	64,549,025	68,654,113	4,105,088	6.36%
General Fund Non-Tax Revenues	7,792,838	9,770,696	1,977,858	25.38%
Adult Education Non-Tax Revenues	120,738	140,569	19,831	16.42%
School Nutrition Non-Tax Revenues	2,313,735	2,391,656	77,921	3.37%
EDUCATION NET BUDGET	54,321,714	56,351,192	2,029,478	3.74%
School Capital Budget	140,456,583	6,223,475	(134,233,108)	-95.57%
School Capital Non-Tax Revenues	139,453,483	6,127,475	(133,326,008)	-95.61%
School Capital Net Budget	1,003,100	96,000	(907,100)	-90.43%
For School Board Second Reading May 2, 2024				

Total expenditure reduction	(738,189)
Total non-tax revenue adjustments	361,590
Total net budget adjustments from first to second reading	(1,099,779)

Reduction amount shared with TCFC on 4/11	(368,782)
Request from TC on 4/18 for school dept. to find additional \$1M reduction:	
Total needed to meet request	(1,368,782)
Balance as of 4/25/2024	(269,003)

School Leaders' budget reduction scenario as of 5/8/2024

Potential reductions **Amount** **Consequences**

Least impact:

Delay pickup truck replacement	\$65,000	CIP to be appropriated - 10 year old truck will cost more in maintenance
Reduce out of district estimate	\$70,000	per update in specific student plan; risk of new placement or change in IEP
Superintendent turnover	\$16,395	per new contract - no impact
\$151,395		

Adjust new proposals - least impact:

Remove 1.0 WS library ed tech position	\$57,209	"trade" ed tech for professional position, will have 2.0 instead of 2 ed techs + 0.5 librarian
Keep .5 speech tech in IDEA grant	\$53,146	volatility of grant funding, extra cost of MainePERS reduces grant impact
Use Title IA carry-over for part of K position*	\$8,500	volatility of grant funding, extra cost of MainePERS reduces grant impact
Defer E-Sports program	\$15,000	propose again in FY26
\$133,855		*must eliminate Title IA ed tech @ EC due to reduced grant funding

With BOE approved adjustments of \$1,099,779, this achieves a total reduction of \$1,385,029, exceeding request from TCFC on April 18 (\$1,368,782).

Adjust new proposals - more impact:

Defer MS Student Support increase	\$24,541	reallocation of responsibilities, reduced responsiveness to student issues
Defer WIN teacher at WS	\$92,000	loss of early general ed interventions = risk of increasing SpEd referrals
Defer PH K Intervention Teacher	\$92,000	loss of early general ed interventions = risk of increasing SpEd referrals
\$208,541		

Adjust K-12 operating budget:

these adjustments cause risk of larger budget increase for FY26 + smaller surplus for non-tax revenue

Pre-load breakage for professional turnover	\$110,430	per FY24 actual - apply reduction across largest salary lines
Leave open 1 unfilled custodial position	\$67,000	not able to fully staff for workload, use of contracted services necessary
Leave open 1 unfilled bus driver position	\$58,000	not able to fully staff for workload, use of contracted services necessary
Reduce 5% of all facilities contracted svc accounts	\$51,000	reduce capacity to complete work, deferred maintenance is more costly into the future
Additional use of unassigned fund balance	\$100,000	borrowing against revenue for future budget years
\$386,430		

Total potential reductions **\$880,221**

Reduction from School Board 1st to 2nd reading \$1,099,779
Potential additional reductions \$880,221

Total **\$1,980,000** as outlined in email of 5/2/24 from Jon Anderson to TC and BOE